



Financial Statements

YouthLink

March 31, 2025

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Independent Auditor's Report

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To the Members of
YouthLink

Opinion

We have audited the financial statements of YouthLink (the "Organization"), which comprise the statement of financial position as at March 31, 2025, and the statements of operations, changes in fund balances and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of YouthLink as at March 31, 2025, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the financial statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization's financial reporting process.

Auditor's Responsibilities for the Audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Doane Grant Thornton LLP

Markham, Canada
July 14, 2025

Chartered Professional Accountants
Licensed Public Accountants

YouthLink


Statement of Financial Position

March 31

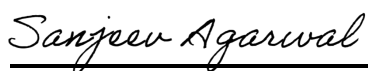
	Operating and General Fund	Internally Restricted Fund	Externally Restricted Fund	Total 2025	Total 2024
Assets					
Current					
Cash	\$ 271,529	\$ -	\$ -	\$ 271,529	\$ 524,143
Investments (Note 3)		2,719,095	24,705	2,743,800	2,279,444
Accounts receivable	291,438	-	-	291,438	761,694
Prepaid expenses and deposits	<u>42,722</u>	<u>-</u>	<u>-</u>	<u>42,722</u>	<u>37,656</u>
	605,689	2,719,095	24,705	3,349,489	3,602,937
Capital assets (Note 4)	<u>-</u>	<u>6,367,438</u>	<u>-</u>	<u>6,367,438</u>	<u>6,446,872</u>
	<u>\$ 605,689</u>	<u>\$ 9,086,533</u>	<u>\$ 24,705</u>	<u>\$ 9,716,927</u>	<u>\$ 10,049,809</u>
Liabilities					
Current					
Accounts payable and accrued liabilities (Note 11)	\$ 582,894	\$ -	\$ -	\$ 582,894	\$ 880,179
Deferred contributions (Note 5)	806,241	-	-	806,241	857,474
Current portion of capital lease obligation (Note 9)	-	9,675	-	9,675	18,250
Interfund balances	<u>(1,773,699)</u>	<u>1,793,907</u>	<u>(20,208)</u>	<u>-</u>	<u>-</u>
	(384,564)	1,803,582	(20,208)	1,398,810	1,755,903
Capital lease obligation (Note 9)	-	-	-	-	9,675
Deferred capital contributions (Note 6)	<u>-</u>	<u>904,298</u>	<u>-</u>	<u>904,298</u>	<u>872,727</u>
	(384,564)	2,707,880	(20,208)	2,303,108	2,638,305
Fund balances	<u>990,253</u>	<u>6,378,653</u>	<u>44,913</u>	<u>7,413,819</u>	<u>7,411,504</u>
	<u>\$ 605,689</u>	<u>\$ 9,086,533</u>	<u>\$ 24,705</u>	<u>\$ 9,716,927</u>	<u>\$ 10,049,809</u>

Contingencies (Note 12)

On behalf of the Board of Directors



Director



Director

See accompanying notes to the financial statements.

YouthLink

Statement of Operations and Changes in Fund Balances

Year ended March 31

	Operating and General Fund	Internally Restricted Fund	Externally Restricted Fund	Total 2025	Total 2024
Contributions and Grants					
Province of Ontario grants	\$ 3,040,550	\$ -	\$ -	\$ 3,040,550	\$ 3,220,934
City of Toronto	2,341,878	-	-	2,341,878	2,112,440
Pathways Canada	1,128,714	-	-	1,128,714	1,148,178
Donations	723,575	-	2,055	725,630	382,948
United Way	707,840	-	-	707,840	707,841
Other agencies	340,972	-	-	340,972	820,688
Bequests	18,750	-	-	18,750	11,800
Other Income					
Investment income	16,983	65,815	9,279	92,077	79,946
Miscellaneous income	65,799	-	-	65,799	62,939
Rental income	-	19,216	-	19,216	26,082
Amortization of deferred capital contributions (Note 6)	-	169,128	-	169,128	527,202
	<u>8,385,061</u>	<u>254,159</u>	<u>11,334</u>	<u>8,650,554</u>	<u>9,100,998</u>
Expenses					
Salaries and wages	4,273,122	-	-	4,273,122	4,238,854
Building occupancy	923,659	-	-	923,659	865,964
Employee benefits	673,612	-	-	673,612	661,705
Direct program costs	602,988	-	10,400	613,388	652,229
Professional fees	541,015	-	-	541,015	597,307
Client costs	399,991	-	-	399,991	469,348
General office expenses	386,058	-	-	386,058	398,655
Depreciation	-	348,582	-	348,582	685,453
Staff training/conferences	210,168	-	-	210,168	89,445
Miscellaneous	122,861	-	-	122,861	55,592
Food services	115,388	-	-	115,388	184,721
Promotion and publicity	15,408	-	-	15,408	6,990
Staff travel	14,250	-	-	14,250	17,474
	<u>\$ 8,278,520</u>	<u>\$ 348,582</u>	<u>\$ 10,400</u>	<u>\$ 8,637,502</u>	<u>\$ 8,923,737</u>

See accompanying notes to the financial statements.

YouthLink

Statement of Operations and Changes in Fund Balances

(continued)

Year ended March 31

	Operating and General Fund	Internally Restricted Fund	Externally Restricted Fund	Total 2025	Total 2024
Excess (deficiency) of revenue over expenses	\$ 106,541	\$ (94,423)	\$ 934	\$ 13,052	177,261
Change in unrealized (loss) gain on investment	-	(10,737)	-	(10,737)	6,614
Excess (deficit) of revenue over expenses	106,541	(105,160)	934	2,315	183,875
Fund balance, beginning of year	883,712	6,483,813	43,979	7,411,504	7,227,629
Fund balance, end of year	\$ 990,253	\$ 6,378,653	\$ 44,913	\$ 7,413,819	\$ 7,411,504

See accompanying notes to the financial statements.

YouthLink

Statement of Cash Flows

Year ended March 31

2025

2024

Increase (decrease) in cash and cash equivalents

Operating

Excess of revenue over expenses	\$ 2,315	\$ 183,875
Items not affecting cash		
Depreciation of capital assets	348,582	685,453
Amortization of deferred capital contributions (Note 6)	(169,128)	(527,202)
Change in unrealized (gain) loss on investment	10,737	(6,614)
	<u>192,506</u>	<u>335,512</u>
Change in non-cash working capital items		
Accounts receivable	470,256	(240,170)
Prepaid expenses and deposits	(5,066)	22,795
Accounts payable and accrued liabilities	(297,285)	333,007
Deferred contributions	(51,233)	(364,859)
	<u>309,178</u>	<u>86,285</u>

Financing

Deferred capital contributions (Note 6)	200,699	346,026
Repayment of capital lease obligation (Note 9)	(18,250)	(18,135)
	<u>182,449</u>	<u>327,891</u>

Investing

Purchase of capital assets	(269,148)	(355,103)
Purchase of investments – net	(475,093)	(60,732)
	<u>(744,241)</u>	<u>(415,835)</u>

Decrease in cash	(252,614)	(1,659)
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Cash, beginning of year	<u>524,143</u>	<u>525,802</u>
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Cash, end of year	<u>\$ 271,529</u>	<u>\$ 524,143</u>
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See accompanying notes to the financial statements.

YouthLink

Notes to Financial Statements

March 31, 2025

1. Nature of operations

YouthLink (the “Organization”) is a charitable organization registered under the Income Tax Act. In operation since 1914, YouthLink addresses the needs of disadvantaged youth by providing a multi-faceted service that responds to their developmental, emotional and social needs and acts as an advocate on their behalf within the community.

2. Summary of significant accounting policies

Basis of presentation

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations (“ASNPO”) under Part III of the Chartered Professional Accountants of Canada Handbook - Accounting, applied within the framework of the accounting policies summarized below.

YouthLink uses fund accounting to present its financial statements whereby resources for particular purposes are classified for accounting and reporting purposes into one of the following funds:

Operating and General Fund

This fund records all recurring revenue and expenses related to the operations of YouthLink.

Internally Restricted Fund

These funds have been restricted by the Board of Directors to fund certain commitments entered into by YouthLink and to help ensure its financial security. Internally Restricted Funds include the following funds:

- (i) *Capital Fund* – this fund records all the activities associated with property and equipment plus any accumulated investment income earned on the reserve fund. Deferred capital contributions are recognized in this fund on the statement of financial position.
- (ii) *Reserve Fund* – created in the event of a financial emergency or in the event of an interruption in cash flow.

Externally Restricted Fund - Big Sister Legacy Fund (“BSLF”)

- (i) This fund was created with the proceeds on the sale of the Big Sister Thrift Shop. Restricted donations and interest income earned are recorded in the BSLF. Any expenses are approved by the BSLF Committee.

YouthLink

Notes to Financial Statements

March 31, 2025

2. Summary of significant accounting policies (continued)

Capital assets

Capital assets are recorded at cost. Contributed capital assets are recorded at fair value at the date of the contribution.

Buildings	20 years straight line
Buildings improvements	3-5 years straight line
Furniture and fixtures	5 years straight line
Vehicle	5 years straight line
Computer equipment	Term of lease or 3 years straight line
Tenant improvements	Term of lease (10 years)

Impairment of long-lived assets

Long-lived assets are tested for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. An impairment loss is recognized when the carrying amount of a long-lived asset is not recoverable and exceeds its fair value. The resulting impairment is reported in the statement of operations. Any impairment recognized is not reversed.

Income taxes

Under the Income Tax Act, the Organization is classified as a registered charity and is exempt from income tax provided it complies with certain requirements as specified by the Act. As of March 31, 2025, management believes that YouthLink has complied with these requirements.

Financial instruments

Financial assets and financial liabilities include cash, accounts receivable, investments, accounts payable and accrued liabilities, and interfund balances.

Initial measurement

YouthLink initially measures all financial assets and financial liabilities at fair value.

Subsequent measurement

Investments are recorded at fair value and all changes in the fair value are recorded in the statement of operations. Related party balances and transactions are recorded at the exchange amount. All other financial assets and liabilities are recorded at amortized cost. Financial assets are tested for impairment at the end of each reporting period when there are indicators the assets may be impaired. Any impairment loss is recognized in the statement of operations.

Revenue recognition

The Organization follows the deferral method of accounting for restricted contributions.

Contributions and grants are recorded when received or receivable. Restricted contributions and grants that are received in advance of the related expense are recorded as deferred contributions.

YouthLink

Notes to Financial Statements

March 31, 2025

2. Summary of significant accounting policies (continued)

Revenue recognition (continued)

Contributions and grants received specifically for the purchase of capital assets are deferred and amortized to revenue on the same basis as the related capital assets.

Rental and miscellaneous income are recorded on an accrual basis and recognized when services are rendered.

Investment income is recognized on the accrual basis and includes interest and realized and unrealized gains and losses.

Inter-fund loans

Inter-fund loans bear no interest and are due on demand with no fixed terms of repayment.

Use of estimates

The preparation of financial statements in accordance with ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and the disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenue and expenses during the reporting year. Actual results could vary from those estimates.

3. Investments

	<u>Cost</u>	<u>2025 Fair Value</u>	<u>Cost</u>	<u>2024 Fair Value</u>
Big Sister Legacy Fund	\$ 24,705	\$ 24,705	\$ 23,787	\$ 23,787
Internally restricted investments	<u>2,716,360</u>	<u>2,719,095</u>	<u>2,251,842</u>	<u>2,255,657</u>
	<u>\$ 2,741,065</u>	<u>\$ 2,743,800</u>	<u>\$ 2,275,629</u>	<u>\$ 2,279,444</u>

Investments are comprised of Investment Savings Accounts which are redeemable at any time, with no maturity date, and bear interest between 3.83% and 4.18% (2024 – between 4.80% and 5.72%). In addition, investments include fixed income securities with maturity dates between April 4, 2025 and May 13, 2025 (2024 – between April 2, 2024 and May 13, 2024) and bear interest between 2.25% and 4.95% (2024 – between 2.55% and 4.45%).

YouthLink

Notes to Financial Statements

March 31, 2025

4. Capital assets

			<u>2025</u>	<u>2024</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Land	\$ 2,967,524	\$ -	\$ 2,967,524	\$ 2,967,524
Buildings	5,987,087	3,673,547	2,313,540	2,508,596
Buildings improvements	2,558,736	1,633,298	925,438	855,871
Furniture and fixtures	806,575	685,087	121,488	53,707
Vehicle	119,847	80,399	39,448	50,719
Computer equipment	697,298	697,298	-	3,701
Computer equipment capital lease	234,503	234,503	-	6,754
Tenant improvements	202,790	202,790	-	-
	<u>\$ 13,574,360</u>	<u>\$ 7,206,922</u>	<u>\$ 6,367,438</u>	<u>\$ 6,446,872</u>

5. Deferred contributions

	<u>2025</u>	<u>2024</u>
Home Depot	\$ 429,777	\$ 277,600
City of Toronto	137,449	109,637
Estate of Sheila Anne Skelly	79,415	79,415
Royal Bank of Canada	40,401	40,401
Ontario Ministry of Health	18,494	18,494
Canadian Red Cross	-	69,513
Toronto Dominion Canada Bank – Black Mental Health	-	56,500
Shoppers Drug Mart	-	40,816
ECHO	-	29,400
Peter Gilgan Foundation	-	5,729
Others	<u>100,705</u>	<u>129,969</u>
	<u>\$ 806,241</u>	<u>\$ 857,474</u>

6. Deferred capital contributions

Deferred capital contributions represent restricted donations, government grants and Board-approved allocations, for the purchase of capital assets. The changes in the deferred capital contributions balance are as follows:

	<u>2025</u>	<u>2024</u>
Balance, beginning of year	\$ 872,727	\$ 1,053,903
Deferred capital contributions received in the year	200,699	346,026
Amortization of deferred capital contributions during the year	<u>(169,128)</u>	<u>(527,202)</u>
Balance, end of year	<u>\$ 904,298</u>	<u>\$ 872,727</u>

YouthLink

Notes to Financial Statements

March 31, 2025

7. Internally restricted funds

	Balance March 31, 2024	Excess (deficit) revenue over expenses	Balance March 31, 2025
Capital Fund	\$ 5,733,813	\$ (105,160)	\$ 5,628,653
Reserve Fund	750,000	-	750,000
	<u>\$ 6,483,813</u>	<u>\$ (105,160)</u>	<u>\$ 6,378,653</u>

The Board of Directors did not approve any transfers during 2025 or 2024.

8. Externally restricted funds

	Balance March 31, 2024	Excess revenue over expenses	Balance March 31, 2025
Big Sister Legacy Fund	\$ 43,979	\$ 934	\$ 44,913
	<u>\$ 42,979</u>	<u>\$ 934</u>	<u>\$ 44,913</u>

9. Commitments

YouthLink leases premises and equipment under operating and capital leases which expire at various dates up to November 2028. Future minimum lease payments are as follows:

	Operating lease	Capital lease
2025	\$ 26,159	\$ 9,675
2026	26,159	-
2027	26,159	-
Thereafter	78,476	-
	<u>156,953</u>	<u>9,675</u>
Less: current portion	<u>26,159</u>	<u>9,675</u>
	<u>\$ 130,794</u>	<u>\$ -</u>

The implied interest rates for the capital lease are 5.48% and 7.71% and mature in October 2025. Interest expense on the capital lease is included in the Statement of operations and changes in fund balances.

YouthLink

Notes to Financial Statements

March 31, 2025

10. Guarantees

In the normal course of business, YouthLink enters into agreements that meet the definition of a guarantee. Indemnity has been provided to all directors and/or officers of YouthLink for various items including, but not limited to, all costs to settle suits or actions due to association with YouthLink, subject to certain restrictions. YouthLink has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits or actions. The term of the indemnification is not explicitly defined, but is limited to the period over which the indemnified party served as a trustee, director or officer of YouthLink. The maximum amount of any potential future payment cannot be reasonably estimated.

11. Financial risk management

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. YouthLink is exposed to credit risk associated with accounts receivables and investments.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. YouthLink manages its liquidity risk by maintaining sufficient cash balances and monitoring forecasted and actual cash flows. Included in accounts payable and accrued liabilities are government remittances of \$28,854 (2024 - \$27,765). These amounts are not in arrears.

Interest rate risk

YouthLink is exposed to interest rate risk with respect to its investments. In order to reduce its interest rate risk, YouthLink holds highly liquid investments that can be redeemed at any time in case of a significant reduction in nominal interest rates.

12. Contingencies

In the normal course of business operations, the Organization is involved with outstanding claims and grievances in respect to employment related matters, including the Organization's workplace environment, policies, and procedures. The outcomes of the various proceedings cannot be determined as of the date of these financial statements and have not been accrued in these financial statements.

13. Comparative figures

Certain prior period comparative figures have been reclassified to conform with the financial statement presentation adopted in the current year.